

bulletin





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THE INTERNATIONAL CIVIL AVIATION ORGANIZATION

An Article

The International Civil Aviation Organization (ICAO), with headquarters in Montreal, Canada, is affiliated with the United Nations as the specialized agency in the field of international civil aviation. Endowed with broad jurisdiction in the field of international air navigation and with consultative and advisory functions in matters pertaining to the economics of international air transport and to private international air law, ICAO includes in its membership of 46 states¹ all the major nations engaged in international air commerce. One of the first postwar intergovernmental organizations to begin operation, ICAO² has already made a major contribution to postwar international air transportation by standardizing in large part the techniques of air navigation. It has a potentially important function in the field of joint support of air-navigation facilities and is becoming increasingly active in the field of private international air law.

The great strides in the development of international military air transport during World War II brought to the attention of the Allied Governments the possibilities and problems of postwar international civil aviation. In the period between the two world wars, the International Commission for Air Navigation (CINA), established under the Paris convention³ of October 13, 1919, had set up a number of technical standards for civil air transport and arranged for exchange of aviation information among member states. CINA, however, which by 1939 represented 33 states, was never able to deal with international aviation on a world-wide basis. Its membership consisted chiefly of European states. The United States, the Union of Soviet Socialist Republics, Germany, China, and most of the Latin American states did not participate. A group of Western Hemisphere states, including the United States, met at Lima in 1937 to establish a second international civil-aviation body under the Pan American

convention for air navigation drawn up in Habana in 1928, but the permanent American aeronautical commission was never formally constituted.

Cognizant that a postwar international organization was needed that not only would set up air-navigation standards and practices for the whole world, but would deal with the economic problems of international air transport, the United States took the lead by calling an international conference on civil aviation. On November 1, 1944, representatives of 54 nations met at Chicago.⁴

The International Civil Aviation Conference lasted until December 7, 1944. The final act of the Conference, signed by the representatives of all participating governments, contained the texts of the following instruments: interim agreement on international civil aviation; convention on international civil aviation; international air-services transit agreement; and international air-transport agreement; as well as 12 technical annexes.

Each of the four instruments was opened for signature on December 7, 1944. The first two instruments not only set forth general principles for international air navigation but also provided respectively for a provisional and a permanent international aviation organization. The international air-services transit agreement, incorporating the "two freedoms" of the air—the right

¹ As of Feb. 17, 1948.

² During the period June 8, 1945, to Apr. 4, 1947, the Organization was called PICAO (Provisional International Civil Aviation Organization).

³ Relating to the regulation of air navigation.

⁴ The only major nonenemy or nonenemy-occupied states which did not participate were Argentina, which was not invited, and the U.S.S.R., which did not attend. Argentina in June 1946 adhered to the interim agreement, the convention, and the transit agreement, but the U.S.S.R. has taken no action in this direction.

to fly over sovereign territory and the right to land for noncommercial purposes—and the international air-transport agreements incorporating the “five freedoms,” including commercial air rights, were only the beginning of an attempt to handle the economic problems of international air transport through reciprocal granting of privileges on a multilateral basis. The technical annexes were only a start in the direction of international standardization of air-navigation procedures. It would be the work of the new international aviation body to develop and revise the work of the Chicago conference.

By June 6, 1945, the interim agreement had been accepted by the number of states (26) required to bring it into force, and the Provisional International Civil Aviation Organization was accordingly established. On August 15, 1946, the first meeting of PICAO was held at Montreal, Canada.

Structure of the Organization

The structure of the provisional Organization—an annual Assembly of all member states, a Council of 21 member states elected by the Assembly, and an international Secretariat—has been preserved in the permanent Organization, which came into existence on April 4, 1947, 30 days after the twenty-sixth instrument of ratification of the Chicago convention had been deposited with the United States Government.⁵ The Assembly,⁶ which elects its own officers and determines its own rules of procedure, has the function of taking appropriate action upon the reports of the Council and handling all other matters referred to it by the Council or not specifically assigned to the Council. The Council, or executive body, complies with the directives of the Assembly, maintains liaison with member states and with other international bodies, and is generally responsible for carrying out the work of the Organization. In session about eight months of the year, the Council is assisted by subsidiary working groups such as the Air Navigation and Air Transport

Committees. ICAO's Legal Committee, as explained later, is another important body within the Organization. The President of the Council is Dr. Edward Warner, formerly Vice Chairman of the United States Civil Aeronautics Board. In charge of the permanent secretariat is Secretary General Albert Roper, formerly Secretary General of the International Commission for Air Navigation (CINA).

Work in the Technical Field

In view of the great speed with which modern airplanes traverse the earth and the large number of civil aircraft flying internationally, it was necessary that the Organization undertake at once the work of standardizing international air-navigation facilities and developing uniform aircraft-operational procedures.

The Air Navigation Committee of the Council directs the technical work of the Organization. Work was begun in October 1945 on developing “Recommendations for Standards, Practices, and Procedures”, which may become legally binding under the Chicago convention when adopted by the Council. The First Assembly of ICAO by a resolution adopted the following definitions:

“*Standards*: Any specification for materiel, performance, personnel, or procedures, the uniform application of which is recognized as necessary for the safety or regularity of international air navigation and to which Contracting States will conform in accordance with the Convention; in the event of impossibility of compliance, notification to the Council is compulsory under Article 38.”

“*Recommended Practice*: Any specification for materiel, performance, personnel, or procedures, the uniform application of which is recognized as desirable in the interest of safety, regularity, or efficiency of international air navigation, and to which Contracting States will endeavor to conform in accordance with the Convention.”

Ten specialized categories have been established in technical matters; aerodromes, air routes, and ground aids; meteorology; rules of the air and air-traffic control; communications; aeronautical maps and charts; search and rescue; personnel licensing; accident investigation; operating practices; and airworthiness. Each category is handled initially by a division, that is, an inter-

⁵The United States is the depositary government for the instruments of ratification of or adherence to the interim agreement and to the convention on international civil aviation.

⁶First Interim Assembly held in Montreal, Canada, May 21-June 8, 1946; First Assembly of ICAO held in Montreal, Canada, May 6-27, 1947; Second Assembly of ICAO scheduled to be held in Geneva, Switzerland, in June 1948.

national meeting in which all member states may participate. The technical recommendations drawn up by the divisions are submitted to all member states for review and comment prior to possible amendment by the Air Navigation Committee and adoption by the Council. During recent months the most important activity of the Organization in the technical field has been the review of "PICAO Recommendations for Standards, Practices, and Procedures" with a view to their adoption as international standards and recommended practices under article 37 of the convention.

Among the problems of standardization yet to be solved is the unification of numbering and dimensional systems used in connection with international air navigation. ICAO has worked hard but made little progress in resolving the controversy between the proponents of the metric and English systems.

In addition, ICAO is faced with the general problem of implementing its standards and recommended practices. Many member states in this postwar transitional period are faced with drastic economy measures and find it difficult to provide the type of air-navigation facilities and aircraft needed to carry out ICAO's technical decisions. Even such countries as the United States may find it difficult to put into practice all of ICAO's technical decisions, especially since there is a very real question as to whether ICAO standards should be applied to purely domestic aviation practices. The Air Coordinating Committee of the United States Government has agreed that ICAO's standards for air navigation should be applied to our national aviation practices, both domestic and international, except when implementation definitely would be detrimental to the national interest, could not be effected under existing legislation, or would impose undue hardship on our various aviation activities.

During the fall of 1945 the Interim Council established 10 regional areas: North Atlantic, European-Mediterranean, Caribbean, Middle East, South Pacific, South American, South Atlantic, Southeast Asian, North Pacific, and African-Indian Ocean. A series of regional air-navigation meetings was inaugurated in order to take inventory of international air-navigation facilities, determine requirements for safe operations in

the various regions, and develop special regional operating "procedures."

One of the most interesting developments which had its beginning at a regional meeting is the North Atlantic Ocean weather ship station program. In the spring of 1946, the North Atlantic Route Service Conference recommended to the Interim Council the establishment of 13 ocean weather ship stations. The stations not only would provide essential weather data to permit safe and economical operation of the heavily troubled North Atlantic routes, but also would provide electronic air-navigation aids and would serve in emergencies as search and rescue units.

Following approval of the program by the Council, the Interim Assembly of PICAO in May 1946 decided that the ocean weather stations could not be financed from the PICAO general fund. Instead, the Assembly resolved that the program should be carried out by contributions "in kind or in cash" from interested states. At the London Conference on North Atlantic Ocean Weather Stations, held under the auspices of PICAO in September 1946, an international agreement was reached whereby the 13 weather stations were to be established and maintained by eight different states, with PICAO assuming responsibility for coordination of the program.*

The Organization's authority for carrying out the ocean weather ship station program and other "joint-support" projects is contained in chapter XV of the Chicago convention, which places on the Council the responsibility for consulting with

* To date, the following regional air-navigation meetings have been held: North Atlantic Route Service Conference in Dublin, from Mar. 4-27, 1946; European-Mediterranean Route Service Conference in Paris, from Apr. 24-May 15, 1946; Caribbean Regional Air Navigation Meeting in Washington, from Aug. 26-Sept. 13, 1946; Middle East Regional Air Navigation Meeting in Cairo, from Oct. 1-18, 1946; South Pacific Regional Air Navigation Meeting in Melbourne, from Feb. 4-22, 1947; South American Regional Air Navigation Meeting in Lima, from June 17-July 7, 1947; and South Atlantic Regional Air Navigation Meeting in Rio de Janeiro, from July 15-31, 1947.

* The London agreement has not yet been fully implemented. As of Feb. 17, 1948, only seven ocean weather stations were in operation: two maintained by the United States, two by the United Kingdom, one by France, one by Belgium and the Netherlands jointly, and one maintained part time by Canada.

a member state which, in its opinion, fails to provide adequate air-navigation facilities for international carriers. The Council is also to consult with other states affected by the lack of proper air-navigation facilities—airports, radio, and meteorological services, etc.—and make recommendations for improvements. If the member state is willing to remedy the situation but unable to bear the cost of the new facilities, the Council may agree to provide all or a portion of the funds. The Organization may finance "joint support" projects to a limited extent by drawing on its general fund, but for the most part will make special assessments, as in the case of the ocean weather ship stations, against the various member states in proportion to their use of the air-navigation facilities in question.

The "joint support" program of ICAO promises to be one of the most valuable contributions of the Organization to international civil aviation. In addition to the North Atlantic Ocean weather ship stations, the Organization is at the present time sponsoring the joint operation of the loran station at Vik, Iceland. Member states furnishing financial and technical assistance for operation of the station are Canada, France, Iceland, the Netherlands, the United States, and the United Kingdom, whose flag lines use this air-navigation facility when flying across the Atlantic.

Work in the Economic Field

The Chicago Aviation Conference, in drawing up two separate agreements—the international air-services transit agreement and the international air-transport agreement—for signature and acceptance by states members of the Organization, anticipated the difficulties inherent in postwar attempts to solve the problem of international exchange of aviation privileges on a multilateral basis. Thirty-six states accepted the transit agreement, incorporating the "two freedoms", but only 17 states accepted the transport agreement,

* The United States, Nicaragua, the Dominican Republic, and China, which accepted the air-transport agreement, subsequently withdrew from the agreement.

¹⁰ The FAL Division's terms of reference also include matters pertaining to financial and monetary regulations, taxes, police and immigration requirements, military restrictions, and regulations imposed by national and international aeronautical authorities.

incorporating the "five freedoms."⁹ The latter agreement was not an effective medium for the establishment of postwar international air routes, and the Organization as early as August 1945 directed its Air Transport Committee to undertake the development of a multilateral agreement on commercial rights in international air transport. The subject was explored extensively at the PICAO Interim Assembly in May 1946 and the ICAO First Assembly in May 1947 but without arrival at an acceptable agreement. A special ICAO commission meeting in Geneva, Switzerland, in November 1947 found that the time was not ripe for drawing up a multilateral agreement which would be generally acceptable.

Speed and the ability to span natural barriers are the major advantages air transportation has to offer. Today, however, airlines flying internationally, along with other types of foreign commerce, are faced with many serious delays and hindrances arising out of governmental regulations and laws. Methods of handling customs and border clearances have not yet been revised to meet the needs of rapid air transit. Although bilateral conventions for the avoidance of double taxation have been concluded between the United States and Sweden, Canada, the United Kingdom, and France, much still remains to be done in this field in order to relieve international air carriers, along with others engaged in foreign trade, of the economic burdens arising from taxation of their income by the foreign country or countries in which they do business as well as by their homeland. International airlines today are also seeking relief from customs duties on equipment imported into foreign countries for installation as part of the air carriers' own air-navigation facilities. In certain instances, airlines flying internationally find that foreign immigration laws interfere with their technical programs by preventing the assignment at overseas posts of trained airline technicians.

ICAO's Division on Facilitation of International Air Transport (FAL), deals with the removal of obstacles to aircraft, passengers, and cargo arising from national laws and regulations. The FAL Division, after study of the problem of how to bring administrative practices abreast of aviation's technical progress, prepared detailed recommendations on customs procedures and quarantine and immigration regulations.¹⁰ In June

1946, the PICA0 recommendations for standards, practices, and procedures on facilitation of international air transport were approved by the Interim Council and recommended to the member states for application. Although these recommendations have been by no means universally applied, experience gained with them to date should prove of value to the FAL Division when it meets in Europe in May 1948 to consider new and revised recommendations. In addition to working direct with member states, ICAO is co-operating with other international organizations, such as the World Health Organization and the International Air Transport Association, which also have programs for the facilitation of international travel.

The Statistics Division of the Air Transport Committee is charged with the collection and study of data on origin and volume of international air traffic and its relation to facilities provided; also data on government subsidies, tariffs, and operation costs. Since 1945 some member states have been submitting traffic and financial data on forms drawn up by the Organization, but much still remains to be done to secure the cooperation of other member states which have made little effort to discharge their obligations in this field. The session of ICAO's Statistics Division which opened in Montreal on January 13, 1948, considered methods by which improvements could be made in the air-transport statistical reporting forms, the promptness with which they are filed, and their analysis and publication; also the possibility of collecting other types of aviation statistics, such as airport and accident statistics.

Other subjects under study by the Air Transport Committee at the present time are the possibility of international ownership and operation of the world's trunk air routes; the problem of differentiating between scheduled and nonscheduled air services; the rules of procedure to govern the filing of aviation agreements and contracts between member states or their airlines, as required under chapter XVII of the Chicago convention; the possibility of reducing international air-mail rates, the standardization of charges at international airports; and the double taxation of operators of international airlines. The views and data submitted by member states on these problems will form the bases for reports to be submitted by the

Air Transport Committee through the Council to the next Assembly of all member states, which is scheduled to be held in Geneva in June 1948.

Work in the Legal Field

With the creation of a permanent Legal Committee by the First Assembly of ICAO in May 1947, the Organization took over the work of unifying and codifying private international air law, which formerly had been handled by the Comité International Technique d'Experts Juridiques Aériens (CITEJA).¹¹ At its first meeting held in Brussels, in September 1947, the Legal Committee reached agreement on a draft convention on international recognition of rights in aircraft, which would facilitate the financing of aircraft engaged in international civil aviation. The draft convention will be presented to the 1948 ICAO Assembly for approval by both member and nonmember states. In addition to handling private air-law matters, the Legal Committee is charged with advising the Organization on public air law, e. g., in connection with the sovereignty of a state over the air space above its territory and the elimination of discriminatory national regulations.

The convention on international civil aviation defines the aims and objectives of ICAO as follows: "to develop the principles and techniques of international air navigation and to foster the planning and development of international air transport so as to:

"(a) Insure the safe and orderly growth of international civil aviation throughout the world;

"(b) Encourage the arts of aircraft design and operation for peaceful purposes;

"(c) Encourage the development of airways, airports, and air navigation facilities for international civil aviation;

"(d) Meet the needs of the peoples of the world for safe, regular, efficient and economical air transport;

"(e) Prevent economic waste caused by unreasonable competition;

"(f) Insure that the right of contracting States

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¹¹ Established at Paris on May 7, 1926, and dissolved following its sixteenth and final session, held in Montreal (May 10-22, 1947), concurrently with the First Assembly of ICAO.

FOREIGN AID AND RECONSTRUCTION

Foreign Assistance Act of 1948¹

STATEMENT BY THE PRESIDENT

[Released to the press by the White House April 3]

Few Presidents have had the opportunity to sign legislation of such importance as the Foreign Assistance Act of 1948.

The signing of this act is a momentous occasion in the world's quest for enduring peace.

I commend the Congress of the United States for the cooperation it has evidenced in the prompt passage of this measure.

Its passage is a striking manifestation of the fact that a bipartisan foreign policy can lead to effective action. It is even more striking in its proof that swift and vigorous action for peace is not incompatible with the full operation of our democratic process of discussion and debate. Those who are skeptical of the effectiveness of a democratic system should ponder the lesson of the enactment of this measure.

Our program of foreign aid is perhaps the greatest venture in constructive statesmanship that any nation has undertaken. It is an outstanding example of cooperative endeavor for the common good.

The Foreign Assistance Act is the best answer that this country can make in reply to the vicious and distorted misrepresentations of our efforts for peace which have been spread abroad by those who do not wish our efforts to succeed. This measure

is America's answer to the challenge facing the free world today.

It is a measure for reconstruction, stability, and peace. Its purpose is to assist in the preservation of conditions under which free institutions can survive in the world. I believe that the determination of the American people to work for conditions of enduring peace throughout the world, as demonstrated by this act, will encourage free men and women everywhere and will give renewed hope to all mankind that there will one day be peace on earth, good will among men.

Statement by George C. Marshall

[Released to the press by the White House April 3]

The decision of the United States Government as confirmed by the Foreign Assistance Act of 1948 is, I think, an historic step in the foreign policy of this country.

The leaders in the Congress and the membership generally have faced a great crisis with courage and wisdom and with legislative skill, richly deserving of the approval and the determined support of the people.

Program for Development of Sicily and Southern Italy

STATEMENT BY ROBERT A. LOVETT

Acting Secretary of State

[Released to the press April 1]

Representatives of the Committee for Economic and Social Development of Italy, composed of prominent American citizens of Italian origin, called on the Acting Secretary of State on April 1 to inform him of their program for assisting in the development of Sicily and southern Italy. During the course of the conversations Mr. Lovett made the following remarks

I am happy to receive the Committee for Eco-

nomie and Social Development of Italy, and to hear of your program to contribute to the welfare of the people of Sicily and southern Italy.

The Government and people of the United States have already done much to help the Italians help themselves back to economic recovery and the restoration of a truly democratic way of life. The efforts and the progress which the Italian nation have already made in this direction have inspired the admiration of the world.

(Continued on following page)

¹ Public Law 472 (80th Cong., 2d sess.).

NINTH INTERNATIONAL CONFERENCE OF AMERICAN STATES

Interdependence of the Americas

ADDRESS BY GEORGE C. MARSHALL¹

Chairman, U.S. Delegation

It is a genuine pleasure for me to meet again with the distinguished delegates of the American republics, and especially so under the hospitable auspices of the Republic of Colombia. I wish to express through His Excellency Doctor (Laureano) Gómez, Foreign Minister of Colombia, our distinguished presiding officer, the very sincere appreciation we feel for the Government of Colombia as our host, our respectful admiration for His Excellency President Ospina Pérez, and our strong feeling of friendship and regard for the people of Colombia.

It is my privilege and duty to convey to the conference warm greetings from President Truman with his earnest wish that our efforts here will be successful in behalf of all the peoples of the Americas.

Ten years have passed since the Eighth International Conference of American States was held in Lima. The momentous events of that period delayed this Ninth Conference but did not halt progress in inter-American cooperation.

The emergency meetings of the Foreign Ministers, which enabled us to coordinate our wartime efforts, were followed by the all-important conference at Mexico City in 1945 which resulted in the Act of Chapultepec, and the Conference on the Maintenance of Continental Peace and Security so successfully concluded last August at Rio de Janeiro with the treaty of reciprocal assistance.

We are here to consolidate and to carry forward the decisions of these previous conferences. We have to consider a lengthy agenda to give effect to the provisions of the ninth resolution of the Mex-

ico City conference, pertaining to the reorganization, consolidation, and strengthening of the inter-American system. This is no small undertaking, for what we do in this respect will have an important bearing on the future of all our joint undertakings. The proposed organic pact will be the very heart of our hemispheric organization.

Cooperation among our countries has been greatly broadened and intensified during recent years. We need for this cooperation an organizational structure which will on the one hand be adequate to the increased responsibilities placed upon it, and on the other hand, efficiently administered so that duplication of effort may be avoided. The inter-American conferences and meetings of Foreign Ministers are the instruments through which the inter-American system formulates policy and reaches decisions on questions of major importance. The drafters of the organic pact have wisely concluded that to insure that these policies and decisions are effectively carried out, the Pan American Union, as the central permanent agency of the inter-American system, must be given a greater responsibility and commensurate staff. Under the direction of the inter-American conferences and meetings of Foreign Ministers the Pan American Union should play an increasingly significant role in the effective functioning of the inter-American system.

I am sure we all are agreed that the development

¹ Made before the second plenary session in Bogotá, Colombia, on Apr. 1, 1948, and released to the press on the same date. The Secretary of State is serving as Chairman of the U.S. Delegation to the Conference.

(Continued from preceding page)

But a further effort is required before we can say the task is done. That effort is the European Recovery Program, which has just been approved by the Senate and House of Representatives. Its primary purpose is to make possible the economic recovery of the peoples of Europe by providing American aid to reinforce their self-help and cooperation so that they can live together in peace and security. Certain basic plans for economic rehabilitation drawn up by the Italian Govern-

ment itself form part of the European Recovery Program for Italy. These plans include the rehabilitation of southern Italy and Sicily—land reclamation, the building of roads and electric power lines, the modernization of agriculture, and the establishment of local industries.

I should like to say again that I am happy to hear of your plans to support and assist the Italian people in this great project, and I am sure you can make a most valuable contribution towards the aim for which we are all working.

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of the inter-American system is within the concept of the United Nations and contributes to the attainment of its objectives.

The urgent need of effective methods of economic cooperation presents us with problems that call for the utmost good will and understanding in order to accommodate complex interests.

Agreement on a convention setting forth the procedures for the pacific settlement of disputes is one of the necessary aims of this conference. By this means we will establish a broad juridical basis for the peaceful adjudication of any differences that may arise among the American states. At the same time we will set an example to a distracted world in the maintenance of peace among neighbor states under an accepted system of law that assures justice and equity to all nations, large and small.

Significant questions related to social progress and the rights of the individual man are to receive full consideration in the deliberations of the conference. These are matters in which all our peoples are deeply concerned. They rightfully expect us to take positive action for their protection and welfare. That, in reality, is the purpose of our endeavors.

The overwhelming desire of the people of the world is for peace and security, freedom to speak their thoughts, freedom to earn a decent living in their own way. It is the earnest, the very genuine desire of the people of my country to continue to assist, so far as they are able to do so, the other people of the world to attain these objectives.

We have encountered, as you are aware, the determined and open opposition of one group of states. If the genuine cooperation of the Soviet Union could be secured, world recovery and peace would be assured. Until such cooperation is secured, we must proceed with our own efforts.

My Government has assumed heavy responsibilities in this undertaking, but we cannot do the job alone. We need the understanding and the cooperation of other nations whose objectives are the same as ours.

We must face reality. Allow me to talk to you frankly regarding the tremendous problems the United States is facing. After four years of supreme effort and a million casualties, we had looked forward to a state of tranquillity which would permit us to reorganize our economy, having made vast expenditures in natural resources and money. Instead my people find themselves today faced with the urgent necessity of meeting staggering and inescapable responsibilities—humanitarian, political, financial, and military—all over the world, in western Europe, in Germany and Austria, in Greece and Turkey, in the Middle East, in China, Japan, and Korea. Meeting these unprecedented responsibilities has demanded tremendous drafts on our resources and imposed burdensome

taxes on our people. These are heavy exactions—far heavier than seems to be realized.

The basic economic trouble has been the collapse of European economy. Europe was formerly the most important center of international trade, and the disastrous impact of the war on the European economy has been felt everywhere in the world. The Western Hemisphere, for example, formerly enjoyed a substantial business with Europe and the virtual breakdown of that commerce has adversely and directly affected the American republics. The recovery of Europe is therefore a prerequisite to the resumption of trade relationships.

In the planning of the European Recovery Program, the United States gave and will continue to give careful consideration to the interests of the countries represented at this conference, both as to the procurement of materials to be purchased and the need of goods in short supply.

The difficulties you have experienced in obtaining certain materials from the United States to meet the needs of your industrial and agricultural development are understood. The problem of shortages is not yours alone. I am constantly under the necessity of explaining and defending this situation to manufacturers and particularly to farmers in the United States, who are themselves short of tools of production, of fertilizers, of steel, and other vital elements of our economy. The pressure on our production comes from every direction.

The Recovery Program provides the economic means of achieving a purpose essentially moral in nature. We propose to provide the free nations of Europe with that additional marginal material strength they require to defend the free way of life and to preserve the institutions of self-government. If human rights and liberties are blotted out in Europe, they will become increasingly insecure in the new world as well. This is a matter of as much concern to your countries as it is to mine.

The United States cannot continue to bear alone the burdens on its own economy now necessary to initiate a restoration of prosperity. We have to look to other nations whose interests correspond with ours for active cooperation. All that are able should contribute. All will share the benefits. We have poured out our substance to secure the victory and prevent suffering and chaos in the first years of peace, but we cannot continue this process to the danger of exhaustion.

The rewards of freedom are economic as well as political. Only in such freedom can opportunity and incentive give full rein to individual initiative.

We have already agreed to certain principles that are stated in the Economic Charter of the Americas, signed in Mexico City in 1945. In that document the American republics proclaimed their common purpose to promote the sound develop-

ment of national economies. The charter pointed the way toward realization of this aim through the encouragement of private enterprise and the fair treatment of foreign capital.

Our specific task here is to find workable methods by which our principles may be effectively applied in practical affairs. In a few moments I shall discuss the proposals of the United States Delegation for achieving this objective. But first I wish to draw attention to the general background from which they proceed. I do so because I believe that the experience of my country in its economic development offers some useful precedents.

One of the principal needs of the United States after it achieved independence was private capital for development of its resources and for western expansion. From overseas, and this is the point I wish to emphasize, at first cautiously and often with misunderstanding on both sides, the venture capital of Europe was invested in the new United States of America.

The great benefits accruing to the people of the United States from its material development were attributable in an important degree to this assistance received from abroad which together with the economic and political freedom of action enabled our people to capitalize rapidly upon the great natural resources of the country, and thus develop the production which has enabled us to bear today the heaviest responsibilities ever placed upon a single nation.

By 1900 the people of the United States themselves were becoming large investors in enterprises abroad. But internal development continued unabated. Despite the transformation from debtor to creditor nation and the accumulation of capital for foreign investments of its own, the United States continues to welcome money and technical assistance from other countries.

The point I wish to make is that even after the United States had achieved economic maturity and had become a major source of venture capital foreign investors continued to participate in the industrial and commercial growth of the nation without discrimination.

This policy has enabled the United States to prosper. The large-scale exchange of capital, goods, and services; the system of free enterprise; the confidence of other people in our future and the protection afforded foreign investments; the contributions made by skilled, energetic immigrants—all these helped immeasurably in making our nation not only productive and vigorous, but free. I repeat, this policy has enabled the United States to prosper, and I wish here to stress that it has enabled the United States to do a great deal for other countries, including the protection of their freedoms along with our own.

May I at this time invite your attention to a

fact of particular significance related to the broad benefits to which I have just referred? That is, the fact that these benefits have been transferred into human values through the elevation of the real wages of labor to a point higher than has been achieved under any other system of enterprise in the history of mankind. These benefits automatically transfer themselves into the cultural and physical advancement of all of the people.

The United States is qualified, I submit, by its own historical experience to respond understandingly to the purpose of other American republics to improve their economic status. We understand the wish to achieve balanced economies through the development of industries, mechanization of agriculture, and modernization of transportation.

My Government is prepared to increase the scale of assistance it has been giving to the economic development of the American republics. But it is beyond the capacity of the United States Government itself to finance more than a small portion of the vast development needed. The capital required through the years must come from private sources, both domestic and foreign.

As the experience of the United States has shown, progress can be achieved best through individual effort and the use of private resources. Encouragement should therefore be given to the increase of investment capital from internal as well as external sources. It is obvious that foreign capital will naturally gravitate most readily to countries where it is accorded fair and equitable treatment.

For its part, the United States fully supports the promotion of economic development in the American republics. We advocate the prompt preparation of sound development programs, which will set specific and realistic goals to be accomplished in the next few years.

The United States supports the International Bank for Reconstruction and Development as an important source of long-term capital for developing the economies of the American republics. My Government confidently expects the role of this institution to be one of increasing usefulness.

The President of the United States is submitting to Congress a request for an increase in the lending authority of the Export-Import Bank which will be available for sound projects. These Government funds will be in addition to the private financing which will be needed for a much greater number of development projects.

The United States has studied the proposals regarding the taxation of foreign investments, with a view to avoiding double taxation and to encouraging the flow of private capital into other countries desiring it. I am glad to report that the President has under consideration measures to liberalize taxes on capital invested in foreign coun-

tries. These measures are designed to encourage not only initial investment but also the retention and reinvestment abroad of earnings derived from such capital. These measures also would liberalize the tax treatment of United States citizens residing abroad, and should therefore encourage technical experts to accept employment in other countries.

My Government attaches special importance to efforts to improve health, sanitation, education, and agricultural and industrial processes throughout the Hemisphere. We look forward to an expansion of the cooperative efforts of the American republics in these fields. We are surveying the availability of technical experts who may collaborate in the progress and development of the American republics, as recently authorized by the Congress on a more flexible basis.

The economic advancement and security of the Hemisphere are supremely important to all countries, large and small, and to every citizen of our countries. Through joint endeavor, with each country accepting its share of responsibility and seeking faithfully to carry out its obligations, I am confident that the American republics will consistently move forward and attain the objectives which we all so earnestly desire.

Before concluding I wish to call attention to the close relationship between the solemn pacts we are here to conclude at Bogotá and the treaty of reciprocal assistance signed at Rio de Janeiro last September. Together, these pacts, when ratified, will form a harmonious whole guaranteeing the social, cultural, and economic progress of the Americas and at the same time the preservation of their independence, security, and sovereignty. I am informed that ten countries have already ratified the treaty of reciprocal assistance and that several other nations plan to take positive action along this line. It is to be hoped that during our labors here we may receive the gratifying word that the required number of ratifications have been deposited to enable the treaty to enter into effect. Such action is particularly important in the present world situation. We need the other vital measures we are to consider here as indispensable contributions to the welfare of the Americas. The peoples for whom we speak are impatient to launch this promising cooperative endeavor, for they see in it their greatest hope for achieving a better life for themselves, their children, and their children's children. They look to this conference to set in motion the concerted effort that will make their constant dream of peace and plenty a living, satisfying reality. We must not fail them.

[Following the conclusion of his formal address to the conference, Secretary Marshall spoke extemporaneously substantially as follows]

As has been the case with my predecessors here, it has been necessary for me to speak formally

from a prepared statement. Much of what is said here goes far beyond this table to ears other than ours. Now my friends, I wish to speak to you personally and directly. I feel that in the discussions, particularly of economic matters, so much of detail necessarily becomes involved that the great purpose for which we are assembled and the situation in which we find ourselves becomes somewhat submerged, if not at least partially lost sight of.

I feel that what has already been said and, I suppose, much of what has yet to be said refers directly or indirectly, but specifically in many instances, to my country, to its international actions and present undertakings. I also have the feeling that there is a very limited understanding of the tremendous responsibilities and the equally tremendous burdens that the Government of the United States has been compelled to assume and which is very pertinent to our discussions here in this conference. For example, at the present moment our Legislature is under the necessity of considering at the request of the President the strengthening of our armed forces which would involve the expenditure of additional billions. Now you have a direct interest in that, because we hope that through such a process we can terminate this subversion of democratic governments in western Europe, and we can reach an understanding to maintain the peace and security, the tranquillity, and the future trade developments of the entire Western Hemisphere and not alone the United States. But the great burden of such action has rested on the people of the United States, and it is a very heavy burden.

I think that I can to a reasonable degree understand your reactions and your views because I had a considerable experience along very similar lines immediately preceding and during the war years. As Chief of Staff of the United States Army from the fall of 1939 up until almost the end of the war, I was under continual and the heaviest possible pressure from almost every part of the world, from rulers of countries, from our own military commanders in those regions, and from groups or sections at home or their representatives in Congress who felt very deeply regarding a particular situation. Now if we had not resisted those multitudes of pressures, all of which were based on the logical belief to a reasonable extent of the people concerned of the importance, the necessity, and urgency of their situation, the duration of the war and the situation at the end of the war would probably have been quite different.

The United States today with its tremendous responsibility, which involves us all over the world, has to proceed with great wisdom in all it does and what it feels it must do in the future. I ask you to have this in mind and to realize what a

tremendous burden the people of my country have undertaken. You profit by it as much as we do.

I was sitting here yesterday and regarding this very decorative and impressive mural painting (the mural of Liberator Simón Bolívar) which illuminates this room. It suddenly occurred to me that it had a peculiar significance in relation to an event far distant from us here—in the far Pacific, as a matter of fact. The last territory that we wrested from the hands of the Japanese was a small island called Okinawa, between Formosa and Japan. That was the last big fight. One hundred and ten thousand Japanese were killed. The only captured were those wounded to the extent that they could not commit suicide. We had very heavy casualties. That operation was carried out by the 10th United States Army. But the point that occurred to me yesterday was this: the Commander of that Army was Simon Bolívar Buckner. He died in the last days of the fight—on the front line. Surely, that has some significance here in this room dominated by this painting in the rear of me; that out in the Pacific that man who made a great contribution and finally gave his life for the peace and security of the Pacific, that it would no longer carry a threat to your western shores, should have borne the name of your great liberator. Certainly that indicates something of our common purpose and much more of our common bonds.

U.S. DELEGATION TO NINTH INTERNATIONAL CONFERENCE OF AMERICAN STATES

[Released to the press March 27]

Following is the United States Delegation to the Ninth International Conference of American States, which convenes in Bogotá, Colombia, on March 30, 1948:

Chairman

George C. Marshall, Secretary of State

Delegates

Willard L. Beaulac, Ambassador to Colombia
John W. Snyder, Secretary of the Treasury
W. Averell Harriman, Secretary of Commerce
Norman Armour, Assistant Secretary of State for political affairs
Charles F. Brannan, Assistant Secretary of Agriculture
William D. Pawley, Ambassador to Brazil
Walter J. Donnelly, Ambassador to Venezuela
William McC. Martin, Jr., Chairman, Board of Directors, Export-Import Bank of Washington
Paul C. Daniels, Director, Office of American Republic Affairs, Department of State

Special Congressional Advisers

Donald L. Jackson, Member of Foreign Affairs Committee, House of Representatives
Michael J. Mansfield, Member of Foreign Affairs Committee, House of Representatives

April 11, 1948

Alternate Delegates

John C. Dreier, Chief, Division of Special Inter-American Affairs, Department of State
M. B. Ridgway, Lt. Gen., U.S.A., Department of the Army
William Sanders, Associate Chief, Division of International Organization Affairs, Department of State
Leroy D. Stinebower, Deputy U.S. Representative on the Economic and Social Council of the United Nations
Jack B. Tate, Deputy Legal Adviser, Department of State

Advisers

Thomas C. Blaisdell, Jr., Director, Office of International Trade, Department of Commerce
Henry Chalmers, Commercial Policy Adviser, Office of International Trade, Department of Commerce
John S. deBeers, International Finance Division, Department of the Treasury
John J. Haggerty, Office of Foreign Agricultural Relations, Department of Agriculture
John Halderman, Assistant Chief, Division of International Organization Affairs, Department of State
Osborne B. Hardison, Rear Admiral, U.S.N., Department of the Navy
Hubert Harmon, Lt. Gen., U.S.A.F., Department of the Air Force
Edward Hidalgo, National Security Resources Board
Edward A. Jamison, Division of Special Inter-American Affairs, Department of State
Muna Lee, Division of American Republics, Office of Information and Educational Exchange, Department of State
Cecil B. Lyon, Special Assistant to Assistant Secretary for political affairs, Department of State
Kenneth Meiklejohn, Assistant Solicitor, Department of Labor
Otis E. Mulliken, Division of International Organization Affairs, Department of State
Oscar M. Powell, Regional Director for the West Coast, Social Security Administration, Federal Security Agency
Sherman S. Sheppard, Chief, International Activities Branch, Bureau of the Budget, Executive Office of the President
H. Gerald Smith, Special Assistant to the Assistant Secretary for economic affairs, Department of State
Joseph H. Taggart, Economic Adviser to Chairman, Munitions Board, The National Military Establishment
Lloyd Tibbott, Assistant to the Chief, Division of Regulations, Maritime Commission
Marjorie M. Whiteman, Office of Assistant Legal Adviser for International Organization Affairs, Department of State
Simon N. Wilson, Division of Special Inter-American Affairs, Department of State

Special Assistant to the Chairman

Marshall S. Carter, Special Assistant to the Secretary of State

Special Assistant for Press Relations

Michael J. McDermott, Special Assistant for Press Relations, Department of State

Secretary General

Clarke L. Willard, Associate Chief, Division of International Conferences, Department of State

Special Assistant to the Secretary General

Frances E. Pringle, Division of International Conferences, Department of State

Technical Secretary

Ward P. Allen, Division of International Organization Affairs, Department of State

(Continued on next page)

(Continued from preceding page)

Assistant Technical Secretaries

Donald M. Dozer, Acting Chief, Division of Research for Latin America, Department of State
Laura Iredale, Division of International Organization Affairs, Department of State
John L. Kuhn, Executive Secretariat, Department of State

Documents Assistant

Margaret L. Moore, Division of Special Inter-American Affairs, Department of State

Archivist

Patricia Ann Foster, Division of Central American and Panama Affairs, Department of State

Administrative Secretary

Orion J. Libert, Division of International Conferences, Department of State

Assistant Administrative Secretary

Anthony A. Covins, Division of Foreign Service Administration, Department of State

Administrative Assistant

Ann Jablonski, Division of Finance, Department of State

Secretaries of Delegation

Howard E. Chaille, Division of Communications, Department of State
Joseph W. Musick, Office of Controls, Department of State
R. Richard Rubottom, Jr., Second Secretary of Embassy, Bogotá

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

INTERNATIONAL WHEAT AGREEMENT SIGNED

[Released to the press April 2]

The international wheat agreement, which was open for signature in Washington from March 6 until April 1, has been signed on behalf of all the importing and exporting countries listed in annexes I and II to article 2 of the agreement.¹

The 36 signatory countries are Afghanistan, Australia, Austria, Belgium, Brazil, Canada, China, Colombia, Cuba, Czechoslovakia, Denmark, Dominican Republic, Ecuador, Egypt, the French Union and Saar, Greece, Guatemala, India, Ireland, Italy, Lebanon, Liberia, Mexico, Netherlands, New Zealand, Norway, Peru, Republic of the Philippines, Poland, Portugal, Sweden, Switzerland, Union of South Africa, United Kingdom of Great Britain and Northern Ireland, United States of America, and Venezuela.

The agreement is subject to formal acceptance by the signatory governments.

The objectives of the agreement, as provided in article 1, are to assure supplies of wheat to importing countries and to assure markets to exporting countries at equitable and stable prices.

INVITATIONS TO ATTEND THE INTERNATIONAL AIR EXPOSITION EXTENDED

At the request of William O'Dwyer, Mayor of the City of New York, the Department of State has transmitted on behalf of the City of New York, to all foreign governments having diplomatic missions at Washington, invitations to send representatives to attend the International Air Exposition on Mayor's Day, August 7, 1948. The repre-

sentatives of the foreign governments will be the official guests of the City of New York on Mayor's Day. Although this event is not sponsored by the United States Government, the Department of State is transmitting the invitations of the Mayor of the City of New York in consideration of the general interest in the Golden Anniversary Air Exposition.

U.S. TO ACT AS HOST TO FIFTH MEETING OF RUBBER STUDY GROUP

[Released to the press March 29]

The Department of State has announced that the United States Government will act as host to the fifth meeting of the Rubber Study Group which will convene at Washington April 26-May 1, 1948, to review the world rubber situation. Invitations have been issued to the following countries whose Governments are members of the Group: Australia, Belgium, Canada, Ceylon, Czechoslovakia, Denmark, France, Hungary, Italy, Liberia, the Netherlands, and the United Kingdom. The United Nations, the Food and Agriculture Organization of the United Nations, and the Pan American Union have been invited to send observers.

The Rubber Study Group was organized in 1944 by the Governments of the Netherlands, the United Kingdom, and the United States. France has participated in all but the first meeting. At its fourth meeting at Paris in July 1947, the Rubber Study Group established a Management Committee which meets periodically at London. A permanent secretariat was set up at London by the Management Committee in 1947 to provide the Study Group with a full information service covering both the statistical situation and the general economic position as it relates to rubber.

Department of State Bulletin

¹ For comments on the wheat agreement, see BULLETIN of Mar. 28, 1948, p. 395.

U.S. TO ACT AS HOST TO SECOND MEETING OF TIN STUDY GROUP

[Released to the press March 29]

The Department of State has announced that the United States Government will act as host to the second meeting of the Tin Study Group which is scheduled to be held at Washington April 19-24, 1948, to review the world tin situation. Invitations have been issued to the following Governments which are members of the Group: Australia, Belgium, Bolivia, Canada, China, Czechoslovakia, France, India, Italy, the Netherlands, Siam, and the United Kingdom. The United Nations and the Pan American Union have been invited to send observers.

The International Tin Study Group was established upon the unanimous recommendation of a world Conference on Tin held at London in October 1946 at which the principal tin-producing and -consuming countries of the world were represented. At the first meeting of the Study Group, held at Brussels in April of last year, it was agreed to establish a Management Committee consisting of seven member governments which would supervise the work of the secretariat of the Group. This committee meets approximately four times a year alternately at Brussels and The Hague. The secretariat has been established at The Hague and is responsible for the provision of continuous information relating to the production and consumption of tin.

FOURTH INTERNATIONAL CONGRESSES ON TROPICAL MEDICINE AND MALARIA PLANNED

[Released to the press April 2]

The program of the Fourth International Congresses on Tropical Medicine and Malaria, which are to be held in Washington May 10-18, is practically complete, and it contains much to interest the medical profession.

The meetings are sponsored by the Department of State in collaboration with other agencies of the United States Government and scientific societies to encourage and facilitate the pooling of useful knowledge for the prevention and treatment of tropical diseases. Such an international congress is now long overdue, and since new knowledge and methods have been developed since the last meeting in 1938, particularly during the war years, it is more needed than ever before.

Meetings will be in the Departmental Auditorium, Department of Commerce Auditorium, and the Auditorium of the National Museum, providing ample space to accommodate the 2,000 persons expected to participate. An elaborate display of scientific and commercial exhibits covering a wide range of tropical medicine will be exhibited in the Hall of Nations of the Washington Hotel.

April 11, 1948

For the convenience of those in attendance and to conserve time, the meeting halls will be provided with a simultaneous interpretation system so that speeches and papers will be heard in any one of the three official languages, English, French, and Spanish. Up to four scientific meetings will be held at one time. The subjects to be considered at the congresses cover a wide range. Consideration will be given to human diseases which debilitate and kill as well as interfere with production and trade. The problems of nutrition of man in the tropics together with the maladies of domestic animals will be discussed. Emphasis will be placed on the most effective uses of the insecticides which have given a new power over disease-spreading insects, as well as on the drugs which have recently been synthesized. To cover so wide a field the scientific program has been organized in 12 sections. There will be about 180 papers in all presented by outstanding scientists from 37 countries. Daily programs of technical motion pictures have been scheduled.

Highlights of the working program will be two special evening sessions, the first of which will commemorate the demonstration by Walter Reed of the mosquito transmission of yellow fever. The second will commemorate the fiftieth anniversary of the discovery by Ronald Ross of the method of malaria transmission. Tours will be made to the National Institute of Health, the Naval Medical Research Institute, and the Army Medical Department Research and Graduate School. There will be a whole day of demonstrations at the Agricultural Research Center at Beltsville, Maryland, including the spraying of insecticides from the air.

Entertainment for the delegates and members, in addition to private dinners and social functions, will include an official reception at the Pan American Union; a social gathering at the Shoreham Hotel; a garden party at Dumbarton Oaks; a trip by boat to Mount Vernon; and an official dinner at the Mayflower Hotel. The wives of members and delegates will be feted officially at a White House tea by Mrs. Truman and at a special luncheon at the Army-Navy Country Club in Arlington.

Physicians, doctors of veterinary medicine, sanitary engineers, nurses, bacteriologists, parasitologists, entomologists, chemists, and other professional persons should find much of value in the program and also in the association with other scientists in the same fields from other lands. Any reputable professional person with qualifications and interest in any phase of tropical medicine will be eligible to become a member of the congresses. Anyone desiring further information should write to the Executive Secretary, Fourth International Congresses on Tropical Medicine and Malaria, Department of State, Washington 25, D.C.

THE RECORD OF THE WEEK

Progress of Human Liberty in Democratic Forms

BY GEORGE V. ALLEN¹

Assistant Secretary for Public Affairs

* * * * *

Having taken my oath of office only yesterday, this is my first public address in my new capacity, which carries the somewhat vague title—Assistant Secretary for Public Affairs. One might logically conclude that since diplomacy and the conduct of foreign affairs are traditionally secret operations, there would be little for a State Department official to do in the field of public affairs. The Department has often been accused of dissimulating rather than disseminating the truth. The creation of an Assistant Secretaryship for Public Affairs was decided upon, I believe, in an effort to bring about the widest possible dissemination of the truth.

Serious efforts have been made and are being made to change the traditional attitude toward diplomacy. This can be accomplished best by a change in the traditional conduct of diplomacy. The Department of State has a responsibility not only to keep the public informed in foreign affairs but to seek public support and assistance in the formulation of foreign policy.

In my capacity as public-affairs officer, I shall make every effort to deal as openly with the public as is humanly possible. I do not promise that there shall be no longer any secrets. Public officials, when first taking office, are under the temptation to make pleasing promises of the determination to "let the public in on what is going on". If they make such promises, however, they may discover later that the promises are impossible of fulfillment. There is point to the complaint of some commentators that our national interests have at times suffered from too much publicity during negotiations.

Although I am unable to give you assurances of a wide-open policy in the public-affairs section of the State Department, I do want to say this with the utmost genuineness. My job is with the public, and I shall at all times be your advocate. I hope you will be mine. I hope we can work together as a team, all seeking to achieve the same end.

One is often asked, "What is the end we seek to

achieve in our foreign policy?" A more frequent question is, "Do we have a foreign policy?" Moreover, there is considerable confusion regarding what foreign policy is anyway—ours or any other nation's. Can it be defined so the ordinary man can understand it, or must one search through volumes of learned studies to begin to comprehend the subject?

I shall be bold enough today to try to answer, as simply as I can, my own personal understanding not only of what foreign policy is in general but also what the major policy is which we Americans are seeking to achieve today.

Let us consider briefly what foreign policy is. I believe the broad answer to this is fairly easy. The foreign policy of any nation or government consists of the aims which that nation seeks to achieve *outside* its own borders. The contrast is with domestic policy, which is the goal or goals which a government seeks to attain within its frontiers.

The foreign policy of a country may include aims which remain constant over a long period of time, such as, for example, Russia's effort to gain control of the Dardanelles during more than four centuries. On the other hand, a policy may be entirely discarded. At one time, for example, we Americans clamored loudly for "54'40" or fight" in a dispute with Canada over the northwest frontier. This aim has long since been forgotten.

State Department officials have been asked to define American foreign policy ever since Thomas Jefferson organized the Department in 1789. Moreover, I have no doubt that British, French, and all other foreign-office officials in democratic countries have often been asked a similar question by their own citizens. It would not generally occur that a Soviet citizen would ask his foreign office the question, "What is Soviet foreign policy?" To do so might imply either that there were some doubts in the citizen's mind on the subject or that he was critical.

Fortunately, the question can be freely asked in America. I hope this will always be true. To answer the question has sometimes been difficult, but I believe the answer is easier today perhaps than it has been at any time in our history.

During the early days of our Republic, our for-

¹ Address made before the Overseas Press Club in Washington, D.C., on Apr. 1, 1948, and released to the press on the same date.

foreign policy was concerned primarily with staying out of European quarrels—the no-entangling-alliance policy. Later we were concerned, outside our borders, with the question of extending those very borders to the Pacific Ocean. Since the turn of the century we have been increasingly concerned with improving our relations in this Hemisphere, culminating some years ago in the keystone of our policy in this field, the policy of the good neighbor.

Today, it seems to me clear that the chief aim which the United States seeks to achieve abroad is the triumph, on the broadest possible scale, of the principles of democracy. Practically everything we do, in big and little matters, is directed toward that goal. We seek to support in every way we can the democratic way of life, the dignity of the human individual, freedom of religion, and freedom of thought and expression.

Additional elements in our foreign policy, coordinated with this chief aim, include strongest support for the United Nations and an effort to make it a more effective instrument. We seek to uphold the principles of the Atlantic Charter, including notably freedom from fear. We strive to free the world from the fear of aggression. We seek the triumph of justice, of decency, and stability in international relations.

I should point out that our foreign policy, like that of every other nation, is a national one. Our Government, in the final analysis, must seek to achieve goals which will have the best results for our own nation. We seek the preservation of democracy in the world essentially in order to assure its preservation in our own country. Happily, our national aims coincide with the interests of free men everywhere.

One may well ask, "Is there anything new in our foreign policy today? We Americans have always believed in democracy and fought for it. Why do you suddenly put it at the head of the list, dominating all else in our foreign policy at the present time?"

The answer, I believe, lies in the fact that democracy has only recently been brought under serious threat. From the beginning of our Republic until recent times, democracy has been on the increase in the world. Human liberty and freedom of thought made steady progress during the nineteenth century. We Americans came to regard its triumph as rapidly being achieved and to believe there was not much we need to do about it except stand by and wish it godspeed.

But with the 1917 revolution in Russia a new concept came into prominence—the concept of the rule of a great nation through an ideological dictatorship conceived in bloodshed and maintained by the chains of mental slavery. For a number of years this dictatorship was too busy with its internal affairs to cause much concern to the outside world. Our foreign policy was affected, cer-

tainly, but the existence of an anti-democratic regime in Russia was not at first a major concern to us.

Then came the rise of a similar regime in Germany, different in certain acts and concepts but entirely similar in its totalitarianism and its ruthless destruction of any opportunity for the people to make their voices heard. The German brand of totalitarianism was more immediately dangerous. Its aggressive actions galvanized our people into the realization, for the first time, that democracy as a principle of government could be lost. We began to realize that Sinclair Lewis was not living in a dream world when he preached, "It can happen here."

Today the vast majority of American people are thoroughly aroused to the fact that our democratic way of life is under most serious attack, and some even fear that democracy is losing the battle.

If you grant that the preservation of democracy is the chief aim of our foreign policy, the next question is, "What are we doing about it? How do we implement this policy?" I would like to emphasize that there is an important distinction between foreign policy and its implementation, although the difference is not generally or sufficiently appreciated.

In my own view, the single most important implement we are using at the moment, in our effort to achieve the preservation of democracy, is to assist in the economic recovery of the democratic world.

Perhaps I should explain why I do not list economic recovery itself as a major goal of our foreign policy. Why should ERP, for example, be called merely an instrument of foreign policy? Certainly, the relief of misery and want, the attainment of food and clothing and the material things of life, are good ends in themselves. But only materialists would list those ends as final goals. There is a better and higher goal, toward which economic recovery is merely a way station. The political and spiritual freedom of the human soul and the human personality is the ultimate goal we must keep constantly in our minds.

Economic recovery is merely one of the many implements of our foreign policy. We are doing and attempting many other things at the same time—but all are directed toward the same overwhelmingly important task of the democratic world today.

In the field of public affairs, you and I are concerned with information and education as instruments in achieving our foreign-policy objectives. The astonishingly widespread misrepresentation and misunderstanding of our motives make it imperative that American policy be better understood, not only behind the Iron Curtain and elsewhere abroad but even in our own country.

After two years abroad, I am shocked to return

and find the extent to which Mr. Henry Wallace, to take an outstanding example, goes about parroting the misrepresentation of our foreign-policy aims. Very many of the things he says are the same sort of villification of our motives I have listened to over the Moscow radio during the past two years in Iran.

I shall, in conclusion, undertake to consider whether there is a reasonable likelihood that the democratic way of life will suffer extinction, whether it will hold its own in a stalemate with totalitarianism, or whether it will triumph.

There are people devoted to human liberty on both sides of the Iron Curtain, just as there are on both sides people who are willing to sell their liberties for the false promise of a worker's paradise under Communism. If two things are accomplished, it is my personal conviction that democracy will prevail. In the first place, economic development throughout the democratic world must be achieved, to give the masses of the people, the industrial workers and the farmers, a high stand-

ard of living and their full share in the product of their labors. At the same time the United States must develop its military strength, in order that our assurances of support for the democratic elements abroad will have some meaning. With these two objectives achieved, I believe we shall see the end of aggression, and the overthrow of democratic governments through infiltration of Communist minorities will cease. I do not believe that a military decision is inevitable in the contest between democracy and totalitarianism. Human beings love liberty everywhere, and with adequate opportunity they will begin to show this love more boldly, even in places where today a man does not dare to speak his mind.

I look forward confidently to the ultimate triumph of democracy everywhere throughout the globe. Such a triumph is necessary if we are to have world peace, for only through democratic governments can the peoples of the world prevent their rulers from embarking on aggressive acts which lead to war.

Reduction of Trade Barriers—Rhetoric or Reality

BY WINTHROP G. BROWN¹

Acting Deputy Director, Office of International Trade Policy

Ten days ago at Havana, the representatives of 54 nations, meeting under the auspices of the United Nations, reached agreement on a charter for an International Trade Organization, to be submitted to their governments for acceptance. This charter is a broad code of international economic conduct. It is the culmination of over two years of international effort, and at the final session of the conference William L. Clayton, head of the United States Delegation, had this to say:

"There have been other conferences on international economic affairs. But none of them has undertaken a task so difficult as the one that is completed here today. None of them has come to an agreement concerning so many vital economic interests of so many states. None of them has produced a document so comprehensive as the Havana charter for world trade. Few, if any, of them have attained so notable a measure of success."

Five months ago, at Geneva, the representatives of 23 nations, also meeting under the auspices of the United Nations, reached agreement on a general agreement on tariffs and trade, containing rules for the conduct of many aspects of their trade with each other and providing for the tariff treatment of products accounting for over half the

world's international trade. This agreement has already been put into effect by the principal trading nations represented at Geneva.

To answer the question implicit in the topic suggested for this talk requires an examination of the background of these two rather momentous documents, of what it is that they seek to accomplish, and of the extent to which they may be expected to accomplish it.

After World War II economic conditions were chaotic in the extreme. Not only was there tremendous physical destruction of facilities for production, transportation, and communications, but there was also destruction of intangibles, such as breaking of business channels and liquidation of foreign investments. Shortages of food, clothing, fertilizer, raw materials, and machinery are still the rule. And during the war techniques for the control of trade by governments had been brought to a high degree of perfection. In almost every country imports and exports are being controlled by government as to quantity, source, and destination. International trade has been turning towards bilateralism and control.

Positive action on a wide scale was needed to reverse this trend and start trading nations moving again in the direction of multilateral international trade: No one nation, not even the United States, was powerful enough to accomplish this

¹Address made before the World Trade Conference of the Cleveland World Trade Association on Apr. 2, 1948, and released to the press on the same date.

alone. It was important to act before the patterns of bilateralism and control had become too permanently fixed.

The United States, therefore, in December 1945 proposed the international adoption of certain rules for the conduct of international trade, and invited a considerable number of countries to negotiate with it and with each other for the reduction of tariffs and the regulation and limitation of the use of other trade barriers.

This action found a ready response. One of the first acts of the Economic and Social Council of the United Nations early in 1946 was to appoint a committee of 18 nations to prepare for a United Nations Conference on Trade and Employment. This committee adopted as the basis for its deliberations the *Suggested Charter for an International Trade Organization*, published in September 1946 by the United States.² At London in the fall of 1946, at Geneva in the spring and summer of 1947, and at Havana at the conference just completed, the *Charter* has been debated and refined and improved. It is now ready for submission to the legislatures of the participating countries for their approval.

The invitations to tariff negotiations were accepted. The negotiations took place. The general agreement on tariffs and trade has, for the most part, been put into effect.

What are the fundamental beliefs that have motivated all this effort?

They are, first, the belief that excessive barriers to world trade must be reduced so that the volume of trade may be large. This does not mean a world of completely free trade. It does mean a world of "open" trade—readier access to world markets, greater opportunity for specialization, more active competition, larger industrial output, increased labor productivity at lower production costs.

Second, the belief that international trade should be multilateral rather than bilateral. This simply means that trade should consist of buying and selling among the traders of many nations, rather than through a series of separate agreements between pairs of nations. Sales should not have to be confined to buyers who agree to deliver equivalent values in other specified goods. Traders should be able to buy and sell where they please, exchanging goods for money, and money for goods. That is multilateral trade. Bilateral trade, on the other hand, is close kin to barter. Such a system limits the number and size and kind of business transactions to the capacity of the weaker partner, and therefore holds down the volume of world trade, freezing it into a rigid pattern that cannot be accommodated to changing conditions.

Third, the belief that international trade should be nondiscriminatory, that each country shall give equal treatment to the commerce of all other

nations. We have seen the results of trade discriminations during the years between two world wars—nations playing off trade with one country against that with another in a global game of political chess. Almost inevitably trade discriminations develop political aspects, and the competitive clashes which in private enterprise are merely stimulating become national issues and involve national pride when they occur in government-to-government dealings.

Fourth, the belief that progressive trade policies must be supported by consistent policies for stabilization in the field of certain primary commodities. Prolonged and drastic fluctuations in world markets for these commodities can create widespread hardship and unemployment and thus undermine the very foundations of a cooperative world economy. Machinery and rules should be provided for reaching intergovernmental agreements to govern temporarily the production and marketing of such commodities when they are in burdensome world surplus.

Fifth, the belief that though nations may choose to use different systems of trading, it is possible for them to work in harmony. Therefore, an effort should be made to find rules which, for example, will govern the operation of state trading enterprises in international trade so as to place those countries using such a system as nearly as possible on the same basis as those relying on private enterprise.

Sixth, the belief that it is essential to develop the resources of underdeveloped areas and to make the fullest use of the resources of all areas. Increased production and increased consumption lead the way hand in hand to increased prosperity, and one's most highly developed neighbors turn out to be one's best markets.

Seventh, the belief that the availability of machinery for easy international consultation, the obligation to consult, and agreement in advance on the rules of the game are the surest guaranties against economic warfare.

And so, under this *Charter*, nations which join the ITO would agree:

1. To take measures designed to maintain productive employment and buying power within their own borders as a means to stimulating trade, avoiding measures which would create difficulties for the economies of others.

2. To encourage private and public international investment and to recognize the need for economic advancement of less well-developed areas.

3. To negotiate for mutual reduction of trade barriers.

4. To eliminate discrimination in international

² Department of State publication 2598.

trade, except in exceptional and clearly defined circumstances.

5. To lower the "invisible tariff" of customs administration.

6. To conduct international trade between private and public enterprises according to principles of nondiscrimination and fair dealing.

7. To curb and regulate international monopolies and cartels.

8. To accept a code of principles to govern the formation and operation of intergovernmental commodity agreements, which should be fair to producer and consumer alike and give producers and consumers an equal voice in their negotiation and operation.

9. To consult with other members about contemplated action which might affect them adversely.

The same basic beliefs also underlie the general agreement on tariffs and trade, which, you will recall, is the second document which I mentioned at the beginning of this talk. When the United States put forward to the world its proposals for rules to govern international trade and for an International Trade Organization, it had available also a mechanism for more concrete action—the mechanism of the Trade Agreements Act. Accordingly, as I said, it invited a considerable number of other nations to negotiate with it and with each other for the reduction of tariffs. As a result 23 countries, representing over three quarters of the world's international trade, met at Geneva, and after seven months of negotiation, reached agreement on the text of an agreement which specifies the tariff treatment of products which account for over half of the world's trade. Imports of these products by the Geneva countries prewar amounted to over ten billions of dollars, of which United States imports were about a billion and three quarters.

The tariff concessions granted were of three kinds: reductions in rates of duty; binding of existing rates against increases; and binding of duty-free status. The United States obtained reductions in duty from other countries on products of principal interest to us accounting in 1939 for about 500 million dollars of imports. We granted reduction in duty on imports into the United States accounting in 1939 for about 500 million dollars. We bound the existing tariff rates on about 150 million dollars of imports and bound the duty-free status of about a billion one hundred million dollars of imports. We obtained corresponding concessions for our exports of approximately the same magnitude.

The general agreement also contains provisions designed to prevent the participants from canceling out tariff concessions by imposing discriminatory and restrictive measures such as import quotas, exchange controls and manipulations,

internal taxes and regulations, and the like, and from evading the undertaking to grant unconditional most-favored-nation treatment. This agreement has already been put into effect by Australia, Canada, Cuba, Belgium, France, Holland, Luxembourg, the United Kingdom, and the United States.

This was more than just agreement "in principle". It was concrete action. It showed that the most important trading nations meant business when they professed to believe in the expansion of trade and the reduction of trade barriers. It showed they could work together in that effort. It showed that commitments such as those contained in the Ito charter have meaning.

I have outlined the background of the Ito charter and the general agreement on tariffs and trade, telling you something about why they came into being and what they seek to accomplish. And now I must try to answer the question implicit in the title of this speech. Is this all worth while? Will it do what it sets out to do?

Granted that the problems at Geneva and Havana were complex, granted that the area of agreement was extensive, granted that the charter is one of the most comprehensive, and the general agreement one of the largest, international documents ever signed—just how should they be evaluated?

It would be easy to say that the rules which they lay down are riddled with exceptions; that the principles accepted are too vague to be meaningful; that a mere promise to consult is not much guaranty of good behavior; that the tariff concessions made will not really hurt any domestic industry no matter how uneconomic; that to agree on principles of multilateral trade under present world conditions is to ignore realities and live in an ivory tower; that it is foolish to go to all this trouble under the appalling uncertainties of the present day; that the wiser course would have been to wait until conditions were stabilized, until the shape of things to come could be more clearly discerned. All of these things could be and are being said, and each of them contains a modicum of truth.

But it can also be said that the deepest need of the world today is agreement and a sense of direction. Nations can no longer solve their problems alone. National boundaries have long since ceased to confine either depression or prosperity. When things are uncertain and confused, when there is a likelihood of nations working at cross purposes, when there is a common need and wide differences of opinion as to how to meet it, then is the time to reach agreement on the direction in which nations are to go. Geneva set the direction of over three quarters of the world's trade and took the first steps along the course thus charted. Havana was the next step in developing the long-term pattern

of international economic relations. The establishment of the International Trade Organization will give that pattern stability and substance.

It would have been easy to pursue a cautious policy and wait for "more normal" times before seeking international agreement in the field of trade. But events do not wait for the cautious man to make up his mind. The time to mold the clay is when it is still on the wheel and before it has set into a pattern we do not like. We believe in the kind of trade policy I have described. The trend was in the other direction—towards a thickening mass of restrictions, discriminations, bilateral deals, and governmental interferences in foreign trade, with their inevitable extension of controls into domestic trade. So we acted. We assumed the leadership in the fight for the kind of world trade pattern under which private enterprise and free competition can continue. We tried to obtain agreement that the course of international trade would be set away from bilateralism and control and towards expansion, competition, and equality of opportunity. We succeeded.

The Iro charter has been criticized with equal vehemence on the grounds that it is so idealistic that it won't work and conversely that it has so many exceptions that it won't work.

It is true that the charter is idealistic. This is nothing to apologize for. It sets up ultimate objectives toward which all countries can agree to work. But it is also realistic. It recognizes facts and faces them. It is not afraid to provide clear exceptions designed to meet abnormal conditions such as the present emergency. The exceptions are, however, carefully defined. Many of them are temporary; all of them are limited in extent; and no nation will be able to use any of them except under conditions upon which all nations have agreed. If it were not for the exceptions the charter would not be practical and it is because it is practical that it can be expected to work. I would add that it will work also because it does not represent the point of view of any one nation or group of nations. We cannot bury our heads in the sand and refuse to recognize that not all nations share our views as to just what the rules of the trade game should be. We must work out a way in which nations of differing views may work together towards common objectives.

I quote again from the words of Mr. Clayton at the final session of the Havana conference:

"The charter is complicated and difficult. It is long and detailed and technical. But behind its many chapters and its scores of articles, there lies a simple truth. The world will be a better place to live in if nations, instead of taking unilateral action without regard to the interests of others, will adopt and follow common principles, and enter into consultation through an international organization when interests come into con-

flict. And this, throughout the entire range of trade relationships, is what the signatories of the charter agree to do. Each will surrender some part of its freedom to take action that might prove harmful to others; and thus each will gain the assurance that others will not take action harmful to it."

The general agreement on tariffs and trade also contains exceptions to its general provisions which I mentioned earlier. These exceptions are, of course, made to allow for the present extreme shortages abroad in production and foreign exchange. But these exceptions, like those in the charter, are closely defined, their use limited, and the conditions under which they must be abandoned are clearly set forth.

It would be less than honest of me to say that our foreign sales of exportable products will increase immediately because of these tariff concessions from other countries. They will not. In the long run, United States commercial exports cannot increase until the rest of the world is better able to pay for them. Profitable trade must be reciprocal and there is very little real reciprocity when our exports of goods and services are exceeding our imports by 11 billion dollars a year, as they did in 1947.

But tariff concessions in a wide area of world trade—such as were achieved at Geneva and are looked forward to under the Iro—will inevitably facilitate, liberalize, and encourage world trade. People work and produce when they see a chance to exchange their products for things which they want and cannot produce for themselves. That is human nature. As world production and trade conditions begin to return to normal, as exceptions cease to be operative, as United States producers again face competition in foreign markets, the tariff concessions embodied in the general agreement will give easier access to those markets for the goods which United States agriculture and industry must sell abroad in order to maintain the level of economic activity in this country. Even while shortages of dollars exist, the concessions will help to expand trade between so-called "soft currency" countries, and the general provisions will limit the use of controls to the cases where they are really needed.

The general agreement was negotiated by the United States under the authority of the Trade Agreements Act, which expires on June 12. The President has asked the Congress to renew this tried and tested instrument of our foreign economic policy, already four times renewed, for a further period of three years. Why?

There were only 23 countries at Geneva. It is important to bring many other countries into the general agreement. To do so they must negotiate reductions in their tariffs with the Geneva coun-

tries. The President needs the trade-agreements authority to participate in these negotiations.

If he does not have effective authority to negotiate because of failure to renew the act, we will simply have to say to countries wishing to come into the agreement that it is uncertain whether we can give effect to the results of any negotiation. Since the trade of most countries with the United States is highly significant to them, they will hesitate to come in on this basis. We will be keeping friendly countries out of this cooperative economic effort.

In the European Recovery Program we will be embarking on a tremendous effort to help western Europe get back on its feet. The program recognizes the elementary fact that one of the prerequisites to their staying on their feet is to reduce the barriers to their trade between each other and between themselves and the rest of the world. They should get into a position to earn their own way by selling their goods. The reduction of their tariffs on each other's goods and the extension of tariff reductions in their trade with the rest of the world is one good way of enabling them to pay their own way. We should not, just as we embark on the European Recovery Program, give up our ability to participate with these countries in working out arrangements by which they can more completely pay their own way.

The Trade Agreements Act is a symbol to the rest of the world of the United States willingness to participate in international economic cooperation. Its first enactment, 14 years ago, marked the reversal of the policy of economic isolationism which we pursued after World War I. Any action which could be interpreted as a repudiation by the United States of the trade-agreements policy

would be considered by other nations as equally symbolic, and would jeopardize United States leadership in the fight for the kind of economic world in which we believe and in which private enterprise and free competition can continue.

I began with a description of accomplishment in the field of international economic relations. I have for a time been discussing doubts, seeking to dispel them. Let me end with a word as to the basic significance of the Havana and Geneva agreements.

Their basic significance is the fact and the extent of agreement. Never before in the history of the world have so many nations reached agreement on so much practical action and over so wide a range of principle in their economic relations. In a troubled world, ravaged by storms of controversy and disagreement, nations have come together in agreement on matters of basic economic importance. They have agreed on a pattern for their trade. They have taken concrete steps to put it into effect. They have shown that the United Nations can be made to work.

The issue today is more than just trade. It is more even than the preservation of free enterprise. It is the struggle for freedom itself. In this struggle the system we believe in is on trial. We must show the world that it will work. Nations which believe in freedom must come closer together economically as well as politically. Some of them did so at Geneva. More of them did so at Havana. What was accomplished there does not cure our economic ills nor win the battle for freedom. But it gives solid cause for hope that those ills can be cured, and that the battle can be won—if we continue the fight.

Restitution of Looted Property in Japan

UNITED STATES DIRECTIVE

The United States interim directive, dispatched by the Joint Chiefs of Staff to the Supreme Commander for the Allied Powers on 17 March 1948, follows

1. The instructions here below are additions to and do not derogate from the full force and effect of FEC-011/12.

2. The SCAP should accord the same treatment to all property found in Japan, and identified as having been located in an Allied country either at or during the time of occupation, and which was removed therefrom by fraud or duress by the Japanese or their agents, as that which he accords to objects in the four categories listed in para. 1 of FEC-011/12 (JCS Directive # 57) identified as

having been located in an Allied country at the time of occupation.

3. In the case of Allied vessels subject to restitution the SCAP may, at his discretion, make delivery at Western Pacific points outside Japan whenever it would be to his advantage and whenever the recipient country agrees. If delivery is so made any costs of supporting and repatriating ships crews used for such delivery would only be borne by the recipient country if it specifically agrees to do so. In the case of delivery of other items of looted property unutilized outgoing shipping space of Japanese vessels being employed in the importation of goods or repatriation of Japanese from a restitution recipient country to

Japan may be made available, at the expense of the Japanese Government but at the risk of the recipient country, to deliver such items at points outside Japan.

4. After full opportunities have been given for inspection of objects known to have been looted the Supreme Commander for the Allied Powers is authorized to liquidate property, excepting gold, silver, precious metals, and cultural objects, known to have been looted but not identified pursuant to the terms of this paper. The proceeds of such liquidation shall form a secured fund to be entrusted to the care of SCAP, which may be used, in the discretion of SCAP, for the purposes of the occupation. The initial value of the secured fund is to be preserved by SCAP or his successor authority. The Governments of Australia, China, France, India, Netherlands, Philippines, and U.K. should have a priority right to purchase items offered for liquidation by foreign exchange acceptable to SCAP up to but not exceeding their recognized national reparations percentage shares (when determined, and adjusted to total 100%, applicable to this fund) of industrial assets available from within Japan. The secured fund should finally be distributed among the countries herein specified in accordance with the percentage mentioned above, payable in U.S. dollars, or, at the discretion of SCAP, in foreign exchange acceptable to the recipient countries concerned. The secured fund shall be distributed to the recipient countries not later than 1 October 1949.

5. The Supreme Commander for the Allied Powers shall create an agency comprising one representative from each of the restitution and reparations teams in Japan of the eleven member countries of the Far Eastern Commission, who desire to participate, to advise on restitution matters. In addition, the Supreme Commander or his deputy should act as the non-voting chairman of the agency. It may meet at the call of the Supreme Commander or at the request of any member. The Supreme Commander should notify the United States Government of the views of the agency when his views conflict with those of the majority of the member countries.

6. In cases of doubt as to the adequacy of the evidence of ownership submitted to support a claim for an object known to have been looted, the Supreme Commander shall inform the other members of the advisory agency of the existence of the claim. The advisory agency, after examining the evidence, shall give its advice to the Supreme Commander as to whether the claim should be approved or the provisions of paragraph 4 above applied.

7. No claims for the restitution of looted property should be lodged with SCAP after eight months from the issuance of this directive to SCAP; provided that after such terminal date, claims may, with the concurrence of SCAP, be lodged for property known to have been looted but not previously identified.

ANNOUNCEMENT BY THE DEPARTMENTS OF STATE AND COMMERCE

[Released to the press April 2]

The Departments of State and Commerce announced on April 2 procedures to be followed by those persons admitted to Japan to seek restitution of their property, or to investigate possibilities for engaging in business activity in Japan.

The new regulations governing admittance to Japan for commercial entrants were previously announced by the Supreme Commander on February 3, 1948. As announced at that time, the numbers permitted to enter Japan at any time will be limited to those whose activities will contribute to the economic rehabilitation of Japan. The Japanese Government is operating five commercial hotels but total facilities available in these hotels throughout Japan will accommodate only 500. Commercial entrants may remain in these hotels only 60 days unless accommodations are adequate for a longer period without denying entrance into Japan to other applicants, and those who apply for a semi-permanent resident's permit, which

would permit them to remain in Japan longer, must not only demonstrate that their continued presence will contribute to the objectives of the occupation but must also provide their own support outside the facilities of the Japanese Government-operated hotels.

Individual applications must be sponsored by the applicant's own government and forwarded through established diplomatic channels. United States property owners or their representatives desiring to take advantage of the arrangements outlined herein, should make application to the Office of International Trade, U. S. Department of Commerce, through its field offices. Applications will be considered by the Supreme Commander in priority of their receipt, and entry permits will be valid during a period of 60 days, assigned by the General Headquarters in Japan. Passport applications should be filed with the clerk of Federal or State courts or with the passport agents located in Washington, San Francisco, and

April 11, 1948

New York. Transportation will be obtained by the entrants via established transportation facilities.

Procedures governing the restitution of properties to American and other United Nations owners are chiefly the following. After his arrival in Japan the U.S. owner, or his duly authorized agent, will make application to the Supreme Commander through the U. S. Reparations and Restitution Mission in Tokyo for the return of his property. Attention is drawn to Department of State press release no. 532, June 27, 1947, which described the instructions under which powers of attorney may be drawn by American property owners outside of Japan. Regardless of whether the property was sold or liquidated by the Japanese Government during the war, owners are entitled to return of their property. However, in such cases, the owner must agree, as a condition of the return of his property, to refund to the Japanese Government the amount of money received as payment or that was deposited in a blocked account in the owner's name at the time of sale or liquidation. Repayment of such amounts, however, will only be due after the settlement of any claims for loss or damage that the owner may make against the Japanese Government. If the property has been leased to a third party by the Japanese custodian or administrator, the owner will have the opportunity of terminating the lease and obtaining vacant possession. If, however, the property has been requisitioned by the occupation forces for their use, vacant possession will not be obtained by the owner until the property is released by the occupation forces.

In accepting the return of the property, the owner will not be required to renounce any claim he may have against the Japanese Government or its nationals for damages to the property. Since the procedures for adjudicating or settling claims against the Japanese Government or its nationals have not yet been determined, it is not possible to state the extent or nature of compensation which may be provided in respect to claims for loss or

damage suffered before return of the property, nor when such claims will be acted upon. An owner who is unable or unwilling to assume control of his property at the present time will not be compelled to accept its return, nor will any rights he may have be prejudiced by his not resuming control at present. Until the property is returned to the owner, the Japanese Government has sole responsibility for its preservation and protection under the direction of the Supreme Commander, but after its return its future maintenance and any rehabilitation costs are the responsibility of the owner.

At present SCAP regulations do not permit postwar commercial entrants to engage in business and investment activities in Japan except as specially authorized. Business entrants are now permitted to engage in international trade through Boeki Cho (Japanese Board of Trade), and SCAP licenses have been issued to banking, shipping, and insurance companies to service foreign trade. Resident Allied and neutral nationals who have been in Japan continuously since September 2, 1945, are permitted to engage in business activities on the same basis as Japanese nationals and it is contemplated that commercial entrants whose activities will contribute to the economic rehabilitation of Japan will be accorded the same privileges.

No procedure has yet been established whereby foreign exchange can be converted to yen except at the military exchange rate of 50-1 and all import-export of raw materials and other commodities must be through Boeki Cho and subject to SCAP approval and validation. In addition, at the present time there is no provision for conversion of Japanese yen into foreign currencies.

Commercial entrants wishing to investigate investment possibilities must realize there is a critical shortage of materials, services, and facilities which may handicap their operations, and permission to do business in Japan, if granted, will in no way constitute special grounds for such materials, facilities, or services.

STATEMENT BY GEORGE C. MARSHALL

Secretary of State

[Released to the press March 25]

The terms of reference of the Far Eastern Commission provide that the United States may issue interim directives to SCAP pending action by the Far Eastern Commission whenever urgent matters arise which are not covered by policies already formulated by the Commission. In this case there was agreement among the countries on a portion of the policy of restitution and, since

the restitution program is considered urgent by many of the countries which suffered at the hands of the Japanese, the United States felt it necessary to provide SCAP with policy guidance. The directive issued by the United States covers only those aspects of the restitution program on which there are no differences. The unagreed aspects of the restitution policy are still under discussion in the

Rejection of Yugoslav Comments on Personal American Activities

[Released to the press March 16]

Text of note from the Secretary of State to the Ambassador of the Federal People's Republic of Yugoslavia (Sava N. Kosanovic), March 15, 1948

The Secretary of State presents his compliments to His Excellency the Ambassador of the Federal People's Republic of Yugoslavia and has the honor to refer to the latter's note Pov. br. 231 of March 3, 1948¹ relative to a press report concerning the marriage of the United States Consul General at Munich which is said to have been attended by the Director of the Office of American Military Government for Bavaria and by, among others, the former Regent of Hungary, Admiral Nicholas Horthy. The Ambassador, in characterizing Admiral Horthy as a "war criminal" present at a wedding ceremony together with high American officials, requests that he be informed "what steps will be taken to punish these American officials."

The Secretary of State informs the Ambassador that, in the opinion of the United States Government, the list of guests reported in the press as having attended a ceremony of such a private nature as the marriage of two American citizens in Germany is not a matter for representations on the part of the Yugoslav Government. The Ambassador's comments in his note under reference are accordingly rejected.

DEPARTMENT OF STATE,
Washington.

Entry Into Force of Industrial-Property Agreement With France

[Released to the press March 17]

On February 27, 1948, the Government of the United States of America and the Government of the French Republic each delivered to the other Government a notice of acceptance of the supplementary agreement between the United States and France concerning the restoration of certain industrial-property rights affected by World War II, signed at Washington on October 28, 1947.² Accordingly, the supplementary agreement, pursuant to the provisions thereof, came into force on February 27, 1948.

The supplementary agreement amends an industrial-property agreement between the two Governments, signed at Washington on April 4, 1947,³ which was designed to permit delayed filing of patent applications, accomplishment of formalities, and payment of fees, which acts were not

possible during the war. The agreement of April 4, 1947, was entered into in accordance with the provisions of Public Law 690, 79th Congress, approved August 8, 1946. Since the signature of that agreement the Congress of the United States enacted legislation (Public Law 220, 80th Congress, approved July 23, 1947) permitting extension of periods during which the above-mentioned benefits might be obtained. The supplementary agreement is designed to extend periods specified in the earlier agreement to the later dates permitted by act of Congress.

Procedure for Filing Claims With Hungary

[Released to the press March 18]

The treaty of peace with Hungary which came into force on September 15, 1947, provides that legal rights and interests of American nationals in Hungary as they existed on September 1, 1939, are to be restored, and the Hungarian Government is required to return all property in Hungary of United Nations nationals as it now exists. Where property has not been returned within six months from the coming into force of the treaty (i. e., within six months from September 15, 1947), application for the return thereof is to be made to the Hungarian authorities on or before September 15, 1948, unless claimants are able to show that applications could not be filed within that period. In cases where property cannot be returned or where, as a result of the war, a United Nations national has suffered a loss by reason of injury or damage to property in Hungary, the Hungarian Government is required to make compensation in local currency to the extent of two thirds of the sum necessary, at the date of payment, to purchase similar property or to make good the loss suffered. To enable claims to receive consideration under the treaty, claimants must have been nationals of one of the United Nations on January 20, 1945 (the date of the armistice with Hungary), and on September 15, 1947 (the date the treaty came into force), or must establish that under the laws in force in Hungary during the war they were treated as enemies. Claimants must also be nationals of this Government at the time of the filing of their claims.

The Department of State has recently been advised of the requirements of the Hungarian Government in connection with the preparation of claims and will communicate directly in the near future with all claimants of whom the Department has a record, advising them of such requirements.

¹ Not printed.

² BULLETIN of Nov. 9, 1947, p. 912.

³ BULLETIN of Apr. 20, 1947, p. 725.

American nationals, including individuals, corporations, and associations, resident outside Hungary, who desire to file claims under the treaty, should, upon being advised of the requirements in that connection, prepare and submit their claims to the Office of the Legal Adviser, Department of State, Washington, D.C., at the earliest practicable date. Claimants residing in Hungary should, upon receipt of instructions as to the method of preparing claims, prepare and file their claims with the American Legation in Budapest.

Claimants who desire to file claims of the character indicated but who have not previously communicated with the Department of State regarding that subject, should do so at once.

The Department of State and the American Legation in Budapest will endeavor to render claimants such assistance as is practicable in connection with the preparation of their claims and in the transmittal thereof to the Hungarian Government. Full responsibility for the actual preparation of claims, however, and for the submission of the necessary documentary evidence to establish their validity rests with the claimants and their attorneys.

When information regarding the procedure for preparing and filing claims under the treaty of peace with Italy becomes available, a similar announcement will be made. Announcements have already been made with respect to claims under the Bulgarian and Rumanian treaties.¹

Income Tax Convention With New Zealand Signed

[Released to the press March 16]

A convention between the United States and New Zealand for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income was signed at Washington on March 16, 1948, by George C. Marshall, Secretary of State, and Walter Nash, P.C., Minister of Finance and Minister of Customs for New Zealand.

The provisions of the convention are similar in general to those contained in conventions now in force between the United States and Canada, France, Sweden, and the United Kingdom.

The convention provides that it shall be ratified, and that, upon the exchange of instruments of ratification, it shall become effective, as to United States tax, for the taxable years beginning on or after January 1 in the calendar year in which the exchange occurs, and, as to New Zealand tax, for the year of assessment beginning on April 1 next following the calendar year in which the exchange occurs.

¹ BULLETIN of Mar. 14, 1948, p. 356.

New Egyptian Steamship Service to the United States

The Department of State announced on March 17 that it had received word from the American Embassy at Cairo of the inauguration of the new Khedivial Mail Line steamship service between Egypt and the United States.

After inaugural ceremonies were held at Alexandria, Egypt, aboard the S.S. *Khedive Ismail*, the vessel sailed on March 16, on its maiden voyage to New York. A second liner, *Mohamed Ali el Kabir*, will make its first voyage at a later date.

The Khedivial Line was hailed as "a new link between the Old World and the New" by Ahmed Abboud Pasha, managing director of the line, at the ceremonies. They were attended by leading Egyptian Government officials and United States representatives headed by United States Ambassador to Egypt, S. Pinkney Tuck. Abboud Pasha said that he hoped to be in New York to greet the *Khedive Ismail* on its arrival.

Plan for New Chilean Bond Service

[Released to the press March 20]

The Department is gratified by the announcement by the Government of Chile of the results of its negotiations with the Foreign Bondholders Protective Council (and related negotiations with British and Swiss protective organizations) looking to regularizing and increasing the payments on Chilean foreign bonds. Since 1935 Chile has been paying interest on Chilean foreign bonds at rates which varied annually with certain Chilean public revenues. The proposed plan will alter the bases of payment and substantially increase payments over present or prospective payments under the existing Chilean bond-adjustment law. Amounts involved are substantial (about 131 million dollars in United States dollar bonds and the equivalent of 122 million dollars in sterling and Swiss franc bonds).

The new plan is still subject to approval by the Chilean Congress.

Letters of Credence

Guatemala

The newly appointed Ambassador of Guatemala, Ismael Gonzalez Arevalo, presented his credentials to the President on March 15. For translation of the Ambassador's remarks and for the President's reply, see Department of State press release 203 of March 15, 1948.

Panama

The newly appointed Ambassador of Panama, Ernesto Jaen Guardia, presented his credentials to the President on March 19. For translation of the Ambassador's remarks and for the President's reply, see Department of State press release 219 of March 19, 1948.

Educational Exchange Program Under Fulbright Act

Announcement of the Fulbright Program in Burma and China

The Board of Foreign Scholarships and the Department of State announce a limited number of grants available for graduate study in Burma and China. The grants will be awarded under the provisions of Public Law 584, 79th Congress (the Fulbright act). All grants will be paid in Burmese and Chinese currency and may include payment of tuition and maintenance. Partial grants may be made to supplement benefits received under Public Law 346, 78th Congress ("G. I. Bill of Rights"), or grants from other sources. Candidates for these grants will be drawn from students in the United States wishing to go to Burma or China and from American students already in residence in Burma or China who wish to continue their studies. Travel grants will not be available for Chinese study, although allowed to Burma.

The Department of State and the Board of Foreign Scholarships on March 24 announced that Dr. Derk Bodde, University of Pennsylvania Sinologist, had been selected for the first award under the Fulbright act. The award will be for the purpose of enabling Dr. Bodde to engage in research leading to the annotation and translation into English of the second volume of Professor Fung Yu-lan's definitive *History of Chinese Philosophy* which up to this time has been available to scholars only in the original Chinese text. The first volume of this work has already been translated by Dr. Bodde.

The Board also announced opportunities in the interim China program for six American librarians to go to China to staff three library institutes to be established by the American Library Association in universities in Peiping, Soochow, and Canton for the purpose of exchanging professional information and acquainting additional Chinese librarians in western technical processes of librarianship, especially in regard to selection and cataloging of western books.

Persons wishing detailed information about these and other opportunities under the Fulbright act, as well as application blanks, should write to the Institute of International Education, 2 West 45th Street, New York 19, N. Y. (for graduate study abroad); the U.S. Office of Education, Washington 25, D.C. (for teaching in national elementary and secondary schools abroad); the Conference Board of Associated Research Councils, 2101 Constitution Avenue, Washington, D.C. (for college teaching, professional research, and teaching in American elementary and secondary schools abroad).

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Grants for Burma

[Released to the press March 31]

The Board of Foreign Scholarships and the Department of State announce a limited number of grants available for visiting professors and research scholars under the first-year Fulbright program approved for Burma. The grants will be awarded under the provisions of Public Law 584, 79th Congress (the Fulbright act). All grants will be paid in Burmese currency and may include salary, maintenance, and travel. Partial grants may be made in Burmese currency to supplement any financial assistance the candidate is receiving from his institution in this country or from other sources.

Eight grants will be awarded United States professors to teach at institutions of higher learning in Burma, in the following fields:

University of Rangoon:

- industrial chemistry
- hydroelectric engineering
- fresh-water biology
- economics

State Training College for Teachers, Rangoon:

- educational research
- educational psychology
- abnormal psychology
- physical education

Five grants will be awarded to citizens of the United States for post-doctoral research in connection with institutions of higher learning in Burma.

Application blanks and additional information concerning these awards will be available from the Committee on International Exchange of Persons, Conference Board of Associated Research Councils, 2101 Constitution Ave., Washington 25, D.C.

Student Ships Assigned

[Released to the press March 30]

The Department of State announced on March 30 that the *Marine Tiger* and the *Marine Jumper* have been assigned by the United States Maritime Commission at the request of the Department and numerous private organizations, to transport American and foreign students, teachers, and other academic personnel between the United States and Europe during the summer of 1948. Each vessel will make four special transatlantic round trips between June and September, calling on all sailings at British and French ports and on two sailings at Oslo.

Each of these former troop transports has room for 600 passengers. The number of staterooms is

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limited, the majority of the accommodations being in dormitories and large compartments. Rates will vary from \$140 to \$200 one way, depending upon the class of accommodation and port of destination.

The Netherlands Government, through its Office for Foreign Student Relations, is also operating student ships, the *Kota-Inten* and the *Tabinta*, which will make one voyage each from Quebec to Rotterdam on June 18 and July 1, respectively. Each of these vessels has a capacity of 750. Early in September the *Volendam*, with a capacity of 1,500, will sail from Rotterdam for New York to provide return transportation for the students traveling to Europe on the two smaller ships. The cost of round-trip passage will be \$280.

The Institute of International Education, 2 West Forty-fifth Street, New York 19, N. Y., will administer the entire student-ship program. Requests for information, schedules, and application for passage on both the Dutch and the American vessels should be addressed to the Institute. American diplomatic missions in Europe will assist foreign students and teachers who wish to arrange passage for the United States on the ships.

The American Friends Service Committee of Philadelphia will conduct a shipboard orientation program for passengers on the *Marine Jumper* and the *Marine Tiger*. This committee enjoyed conspicuous success in carrying out this kind of program on the ships last summer. There will be a similar program on the Dutch vessels, with the cooperation of the Friends.

The determination of priorities to be assigned applicants will be the responsibility of an executive committee composed of representatives of a number of the organizations sponsoring travel to Europe this summer. All organizations and individuals applying for passage on the student ships will be required to demonstrate that their purpose is formal study, attendance at conferences, or participation in cultural or reconstruction projects.

Statement by Assistant Secretary Allen

The action of the Maritime Commission in assigning two vessels for facilitation of educational travel between the United States and Europe next summer is very gratifying to the Department. By enabling several thousands of young Americans to visit Europe for a summer's study, this project will make a definite contribution toward the furthering of good will and amity among the free peoples of the world. I regard the assignment of these ships for such a purpose as an outstanding example of the way in which Government is able to supplement and encourage the initiative of private organizations in carrying on educational exchange with other nations.

Educational Exchange Program Agreement With the Philippines Signed

[Released to the press March 24]

The Republic of the Philippines and the United States on March 24 signed an agreement for the program of educational exchanges authorized by the Fulbright act. The agreement is the third to be signed by the United States. Programs under the act have already been started with China and Burma.¹

The agreement was signed by Vice President and, concurrently, Secretary of Foreign Affairs, Elpidio Quirino, and American Ambassador Emmet O'Neal. The agreement, similar to those signed with China and Burma, is authorized by the Fulbright act which provides that Philippine currency resulting from the sale of American surplus property may be used in the country of sale for educational exchanges with the United States. Under this agreement, in consideration for certain surplus properties transferred by the United States to the Philippine Government, the Philippines is to make available the equivalent of two million dollars for education and research. The program will be administered by a foundation whose Board of Directors will include five Americans and four Filipinos. The United States Ambassador, Emmet O'Neal, will be honorary chairman, and James Lawrence Meader, the Chief Public-Affairs Officer of the American Embassy in Manila, will serve as chairman.

The purposes of the Fulbright act include the financing of "studies, research, instruction, and other educational activities of or for citizens of the United States of America in schools and institutions of higher learning located in the Philippines, or of the citizens of the Philippines in United States schools and institutions of higher learning located outside the continental United States . . . including payment for transportation, tuition, maintenance and other expenses incident to scholastic activities; or furnishing transportation for citizens of the Philippines who desire to attend United States schools and institutions of higher learning in the continental United States . . . whose attendance will not deprive citizens of the United States of America of an opportunity to attend such schools and institutions."

Programs under this act will, it is expected, greatly augment those set up by the Philippine Rehabilitation Act by making available American specialists to cooperate with Filipino educators in rebuilding and strengthening the educational system and services. A limited number of Filipino educators and students may have transportation to the United States paid under the new agreement, provided that they have already been accepted by United States institutions of higher

¹ BULLETIN of Mar. 21, 1948, p. 388.

learning and that all other necessary funds are assured from other sources.

Grants to American scholars for research and educational projects in the Philippines will act as a stimulus to cultural rehabilitation, it is believed, in addition to giving Filipino scholars the benefit of practical training with American specialists.

Address on Freedom of Information

On March 25 William Benton, Chairman of the U. S. Delegation to the Conference on Freedom of Information at Geneva, made an address at the opening plenary session on freedom of information and the press. For the text of this address, see Department of State press release 231 of March 25, 1948.

Chilean Lawyer Visits U.S.

Dr. Moises Poblete-Troncoso, professor of labor legislation and director of the Institute of Social

and Economic Sciences, University of Chile, arrived in Washington March 16, accompanied by his wife, for a four months' visit under the travel-grant program of the Department of State. Dr. Poblete-Troncoso's visit is being made at the request of the Library of Congress for the purpose of serving as consultant in social legislation.

John N. Andrews Appointed to Board of Foreign Scholarships

The Department of State announced on April 2 that the President has appointed Col. John N. Andrews to the Board of Foreign Scholarships under the Fulbright act. Colonel Andrews, the personal representative of the Administrator of Veterans Affairs since 1946, will fill the unexpired term of Gen. Omar N. Bradley who represented veterans on the Board until his appointment as Chief of Staff.

THE DEPARTMENT

Appeal for Restoration of Funds for Efficient Conduct of Foreign Relations

STATEMENT BY GEORGE C. MARSHALL¹

Secretary of State

Two months ago, I appeared before the House Appropriations Subcommittee to present the 1949 budget request of the Department of State. It was stated at that time that the budgetary estimates of the Department did not include requests for funds which could be eliminated without actually impairing the conduct of foreign relations. There has been no reason to change that view.

World conditions with which the Department is concerned have in recent weeks deteriorated, rather than improved, as is well known to you. Also there are the still unresolved problems of Germany, Japan, and Korea. And the United Nations demands increasing attention and support as its problems multiply.

It is against this background that I ask you to consider the appropriations which are being requested today.

Our most important request at this time is for the restoration of \$4,050,000 for the Department service. A reduction of this extent requires the discharge of 780 employees before June 30—one

out of every six members of the staff—the discharge of even a larger number if the action is delayed beyond that date.

This cut, I think, would impair major activities and cripple supporting activities. The year 1949, undoubtedly to be a critical one in world affairs, would find us definitely weakened because of budget limitations.

During the past 14 months, the size of the Department staff, including the information program, has been reduced by more than 1,300 employees. In the course of this 20-percent reduction, many of the duplications arising from the sudden absorption by the Department of five war agencies have been eliminated, and the organizational structure has been steadily improved.

We cannot eliminate those administrative and policy activities which function to support the work and the staff of the Foreign Service abroad.

¹ Made before the Senate Appropriations Subcommittee on Mar. 23, 1948, and released to the press on the same date.

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Nor can we curtail our public-service activities—the issuance of passports and visas and the protection of American interests in foreign countries. Our United Nations Delegation and our delegations to other international organizations are to be maintained. The negotiation of technical agreements with other governments must continue. Curtailment of our economic-planning activities will mean a substantial decrease in the effectiveness of the Department at a time when economic matters are fundamental considerations in foreign policy. In the same manner, our planning and policy-making activities must be based on continuing intelligence activities.

Viewed organizationally, the picture is exactly the same.

The geographic offices, organized on a country basis, employ only 300 persons. These country desks are already taxed beyond their capacity, and reductions would be impossible.

The economic offices of the Department are engaged in work related to the European Recovery Program and the proposed China relief program. They are promoting a revival of world trade and furthering the establishment of a permanent International Trade Organization. They are engaged in many other activities related to postwar economic problems and the task of reconstructing a stable world economy.

Reduction of the United Nations Affairs staff is impossible without jeopardizing our interests in the United Nations and the specialized agencies.

The work of the intelligence offices increases in importance as direct sources of information are closed to us in eastern Europe.

The administrative offices of the Department are hardpressed to provide essential services to the public, the Department, the Foreign Service, and other agencies of the Government which participate in international relations. Sharply reduced in the last several years and hardest hit by last year's reduction-in-force program, these offices cannot absorb further cuts without drastic reductions in the services which they must render.

Second in importance only to the Department Service is a request for the restoration of the \$2,672,615 which has been cut from the estimates for the Foreign Service.

Such a reduction will require the discharge of about 500 employees of the Foreign Service. Most of the reduction would be applied to consular clerks and staffs engaged in observing and reporting political and economic developments around the world. The ability of the Foreign Service to meet its basic responsibilities would be impaired.

The legislative framework for the reorganization and improvement of the Foreign Service is contained in the Foreign Service Act of 1946. The Department has been working on plans for the implementation of this act for over a year.

By July 1947 the Congress had provided, in appropriations for 1948, the necessary funds to expand and develop the Foreign Service to the approved level, and considerable progress has been made in the last eight months toward the completion of this task. The request for 1949 did not contemplate any increase in the staff of the Foreign Service beyond 1948 levels. The small increase in salaries was requested solely to meet statutory promotions.

The 1949 Foreign Service budget as submitted by the President required that further improvements and further staff increases in particular places or for particular purposes must be financed through reductions and retrenchments in other places and in other programs. This is being done.

Maintenance of the Foreign Service representation allowances at the \$700,000 level which was appropriated for 1948 and requested for 1949 is also very much needed. Congress has recognized the necessity for representation funds in modern diplomatic relations. The funds previously appropriated to the Department for this purpose have been carefully controlled. A \$200,000 reduction in 1949 would impair an effective tool in the formulation and execution of foreign policy. I think that it would be an unwise economy, definitely against American interests.

Restoration is requested of the \$6,378,000 which has been cut from the estimates for the international information and education program.

The Department is prepared to carry out the full expansion plan in an efficient and economical manner, to the level contemplated by the Eightieth Congress in its approval of the Mundt-Smith act. The budgetary planning was based on negotiations and understandings with private press, publishing, radio, motion picture, and other private agencies.

There is also requested the restoration of \$1,400,000 to the appropriation "international contingencies". This appropriation is required to finance the expense of attendance at international conferences by officials of the Government.

Restoration of the reduction of \$1,200,000 in the program of cooperation with American republics is requested by the Department on its own behalf and on behalf of the 12 other Federal agencies which participate. This is a mutual program in which the American republics, as a group, contribute larger appropriations than we have requested for the United States share. The agricultural, scientific, economic, and public-health programs are practical programs which benefit the United States as well as the countries involved. These programs of the American republics represent a notable example of the mutual advantages to be gained from cooperative efforts within the Hemisphere.

Treaty Committee

(a) *Purpose.* To facilitate coordination of policy problems arising under the treaties of peace with Italy (including Trieste), Hungary, Bulgaria, and Rumania.

(b) *Functions.* The Committee performs the following functions:

(1) Identifies and evaluates present and emerging problems in respect to the peace treaties, of mutual concern to the geographic and functional offices in preparing policy recommendations. In performing this function the Committee serves as a medium for the interchange of information.

(2) Is responsible for coordinating U.S. policy regarding the execution of the peace treaties with the four southern European countries mentioned above.

(3) Gives guidance and facilitates clearance on instructions to the field on treaty matters.

(c) *Membership.* The Committee shall be composed of representatives of EUR, ITP, OFD, L, TRC, R, OIE, PA, and UNA. Representatives of the Departments of the Army, Navy, and Air Force will be invited to consult on military matters.

(d) *Organization.* The officers are the Chairman (from EUR), the Executive Secretary (from ITP), and the Secretary (from S/S).

Addresses on Aid to Greece and Turkey

On March 25 George C. McGhee, Special Assistant to the Under Secretary and Coordinator for Aid to Greece and Turkey, made an address at Trenton, N.J., on Greek-Turkish aid; for text of this address see Department of State press release 240 of March 25, 1948.

On March 29, Loy W. Henderson, Director for Near Eastern and African Affairs, made an address on aid to Greece before the Order of Ahepa in Washington; for the text of this address, see Department of State press release 255 of March 29, 1948.

Address on European Recovery Program

On March 30, Assistant Secretary Thorp made an address on European aid before Wisconsin's second conference on the United Nations held in Milwaukee; for the text of this address, see Department of State press release 252 of March 30, 1948.

THE FOREIGN SERVICE

Confirmation

On March 23, 1948, the Senate confirmed the nomination of North Winship to be envoy extraordinary and minister plenipotentiary to the Union of South Africa.

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U.S. and Afghanistan To Raise Legations to Embassy Status

[Released to the press March 18]

The Governments of the United States and Afghanistan have agreed to raise their respective Legations to Embassy status, effective upon a date to be mutually determined. Diplomatic relations between the two countries were established on May 4, 1935, when the first American Minister presented his credentials to the King of Afghanistan. The first Afghan Minister to the United States was received by the President on June 4, 1943.

In the early years of United States-Afghanistan relations, the American Minister to Iran, resident at Tehran, was concurrently accredited to Afghanistan. On June 6, 1942, an American Legation was opened in Kabul. The present step reflects the continued growth of close and cordial relations between the two countries.

Corrections

In the BULLETIN of March 14, 1948, page 360, first column, first line of the article on the Caribbean Commission, read "signed on March 4" instead of "signed on March 5" the joint resolution (H. J. Res. 231) authorizing membership by the United States in the Caribbean Commission and the instrument approving the agreement for the establishment of the Caribbean Commission.

In the BULLETIN of April 4, 1948, page 453, second column, the next to the last paragraph should read as follows:

"It is proposed that such arrangement as may be agreed to by the Powers concerned should be submitted to the Security Council for its approval in view of the special responsibilities assumed by the Council in connection with the Free Territory of Trieste."

—Continued from page 467

are fully respected and that every contracting State has a fair opportunity to operate international airlines;

"(g) Avoid discrimination between contracting States;

"(h) Promote safety of flight in international air navigation;

"(i) Promote generally the development of all aspects of international civil aeronautics."

The groundwork for achieving the aims and objectives of the Organization has been carefully laid. By supporting Icao's work, the United States and other nations of the world will derive the maximum benefit from the continued development of international civil aviation.

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